

Approved For Release 2001/07/28 : CIA-RDP78-04718A002500370002-4

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26 Mar 59

Followup Conference

BUDGETING, ACCOUNTING, & REPORTING FINANCIAL POLICY beginning with FISCAL YEAR 1960

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FINANCIAL PROGRAM OBJECTIVES

✓ **Simplicity**

✓ **Gradual**

✓ **Comptroller Service**

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FINANCIAL OPERATING AUTHORITIES

OBLIGATING AUTHORITY

Direct use of
fund authority to
issue orders for:

1. CURRENT YEAR
COSTS
2. FUTURE YEAR
COSTS



COST AUTHORITY

Authority to incur
costs as follows:

1. FROM DIRECT
OBLIGATIONS...
 - a. current year
obligating authority
 - b. prior year
obligating authority

2. FROM INDIRECT
OBLIGATIONS... *obligations
by other
people -*
 - a. property
 - b. printing
 - c. transportation
 - d. books



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Pre Control

... OBLIGATION BUDGET SUMMARY

ORGANIZATIONAL UNIT	OPERATING BUDGET 1960			PRELIM. EST.	
	EST. 1959	NET CHANGE	EST. 1960	NET CHANGE	EST. 1961
TOTAL OBLIGATIONS:					
DIVISION A.....					
DIVISION B.....					
DIVISION C.....					
TOT. OBLIGATIONS					
LESS OBLIGATIONS					
FOR FUTURE YR. COSTS:					
DIVISION A.....					
DIVISION C.....					
TOT. FUTURE					
YR. COSTS.....					
OBLIGATIONS FOR					
CURRENT YR.					
COSTS:.....					

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Frank Costello

COST BUDGET...

OPERATING BUDGET 1960

PRELIM. EST.

ITEM	OPERATING BUDGET 1960				PRELIM. EST.
	EST 1959	NET CHANGE	EST 1960	NET CHANGE	EST 1961
FROM DIRECT OBLIG:					
CURRENT YEAR AUTH.:					
SALARIES.....					
PROPERTY.....					
OTHER.....					
TOT. CURRENT YEAR					
PRIOR YEAR AUTH.:					
SALARIES.....					
PROPERTY.....					
OTHER.....					
TOT. PRIOR YEAR					
TOT. DIRECT OBLIG.					
FROM INDIRECT OBLIG.:					
PROPERTY.....					
BOOKS & PUBL.....					
TRANSPORTATION..					
PRINTING.....					
TOT. INDIRECT OBLIG.					
TOT. COSTS.....					

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OFFICE BUDGET RELATIONSHIP

OBLIGATION BUDGET			
ITEM	1959	1960	1961
TOTAL OBLIGATION			
=====			
TOTAL ...			
LESS FUTURE YEARS			
=====			
TOTAL			
OBLIGATION FOR CURRENT YEAR..			

COST BUDGET			
ITEM	1959	1960	1961
FROM DIRECT OBLIGATIONS			
CURRENT YEAR..			
PRIOR YEAR			
TOTAL ...			
FROM INDIRECT OBLIGATIONS			
=====			
TOTAL ...			
TOTAL COSTS			

FROM
1958
OBLIGATIONS

AGENCY OBLIGATION BUDGETS
FOR COSTS FROM IN-
DIRECT OBLIGATIONS
PRINTING
PROCUREMENT
BOOKS

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OBLIGATING & COST AUTHORITY RELATIONSHIP

1. OBLIGATIONS FOR CURRENT YEAR COSTS:

a. TOTAL AMOUNTS FOR OBJECT CLASS COSTS FOR SALARIES, TRAVEL, TRANSPORTATION OF THINGS, COMMUNICATION SERVICES, RENT, RETIREMENT, AWARDS AND TAXES.

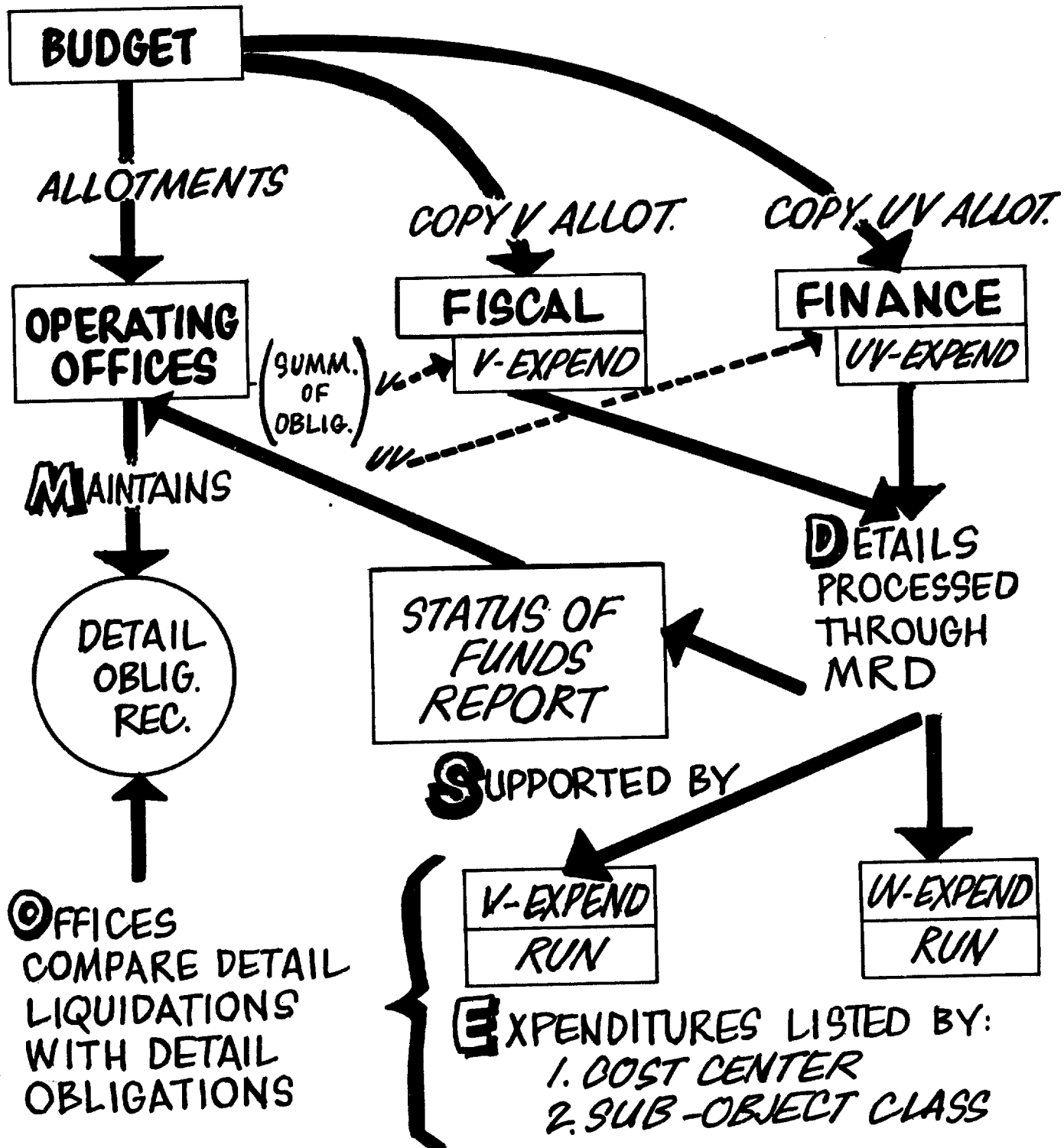
b. PART OF AMOUNTS FOR OBJECT CLASS COSTS FOR PRINTING, OTHER CONTRACTUAL SERVICES, SUPPLIES, EQUIPMENT, AND CONSTRUCTION

2. OBLIGATIONS FOR FUTURE YEAR COSTS:

a. PART OF AMOUNTS FOR OBJECT CLASS COSTS FOR PRINTING, OTHER CONTRACTUAL SERVICES, SUPPLIES, EQUIPMENT, AND CONSTRUCTION

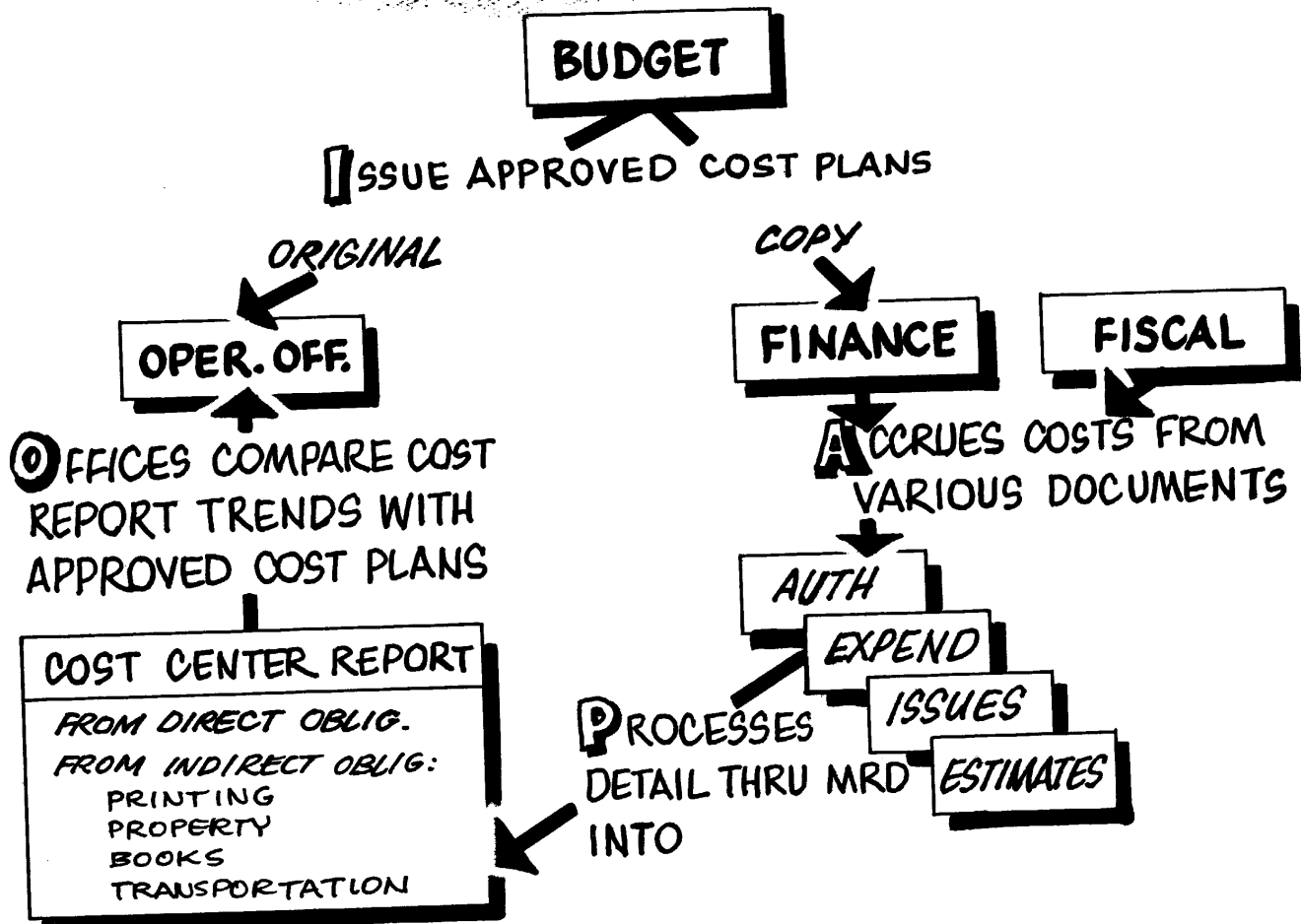
YEAR OF DELIVERY OR ISSUE DETERMINES
DIVISION BETWEEN CURRENT AND FUTURE
YEAR COSTS.

OBLIGATING AUTHORITY CONTROL



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COST AUTHORITY CONTROL



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ADVANTAGES & APPROACH

1. CAN BE ACCOMPLISHED WITHOUT ADDITIONAL PERSONNEL.
2. OBLIGATION & COST PLANNING SIMPLIFIED:
 - A. TOTAL REQUIREMENTS EMPHASIZED
 - B. REDUCES PAPER WORKLOAD
 - C. RELATED MANAGEMENT ADVANTAGES
3. CONSOLIDATED & IMPROVED REPORTING:
 - A. GIVES MANAGEMENT INFORMATION IN ONE REPORT (i.e. all costs in one report)
 - B. REDUCES DUPLICATE RECORD KEEPING
 - C. PROVIDES OPPORTUNITY TO REDUCE REPORTING WORKLOAD
4. CONTROL AUTHORITIES & RESPONSIBILITIES IMPROVED:
 - A. OBLIGATIONS WITH ALLOTTEE
 - B. USE OF COSTS FOR OPERATING PURPOSES
 - C. PLACES EMPHASIS ON V & UV DISBURSEMENTS

COMPTROLLER TIME SCHEDULE

1. COST BUDGETING

- a. EFFECTIVE 1 JUL 1959**
- b. PROCEDURES TO BE ISSUED BY 15 MAY 1959**

2. COST ACCOUNTING & REPORTING

- a. FOR COSTS FROM INDIRECT OBLIGATIONS,
EFFECTIVE 1 JUL 1959**
- b. FOR COSTS FROM DIRECT OBLIGATIONS,
EFFECTIVE AS SOON AS POSSIBLE AFTER
1 JUL 1959, BUT NOT LATER THAN 1 JAN 1960**
- c. PROCEDURES TO BE ISSUED 45 DAYS BEFORE
EFFECTIVE DATE**

3. DECENTRALIZED OBLIGATION RECORDS

- EFFECTIVE 1 JUL 1959 OR AS SOON THEREAFTER
AS POSSIBLE.**

4. CHART OF ALLOTMENT & COST ACCOUNTS

- TO BE ISSUED BY 15 JUN 1959**

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